

**ARIZONA CORPORATION COMMISSION**  
**UTILITIES DIVISION**

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

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W-01731A  
Alpine Water System, Inc.  
PO Box 822  
Alpine, AZ 85920

**ANNUAL REPORT**

**FOR YEAR ENDING**

12	31	2007
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FOR COMMISSION USE

ANN 04	07
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PROCESSED BY:

7-8-08

SCANNED

**COMPANY INFORMATION**

Company Name (Business Name) <u>Alpine Water Systems Inc</u>		
Mailing Address <u>PO Box 822</u>		
<u>Alpine</u> (City)	<u>AZ</u> (State)	<u>85920</u> (Zip)
<u>928-339-4065</u> Telephone No. (Include Area Code)	<u>928-339-4065</u> Fax No. (Include Area Code)	<u></u> Cell No. (Include Area Code)
Email Address <u>aws@frontier.net.net</u>		
Local Office Mailing Address <u>same</u>		
<u></u> (City)	<u></u> (State)	<u></u> (Zip)
<u></u> Local Office Telephone No. (Include Area Code)	<u></u> Fax No. (Include Area Code)	<u></u> Cell No. (Include Area Code)
Email Address <u></u>		

**MANAGEMENT INFORMATION**

Management Contact: <u>Gavin R. Lumbant</u>		<u>Mgr</u>
<u></u> (Name)	<u></u> (Title)	
<u>PO Box 822</u> (Street)	<u>Alpine</u> (City)	<u>AZ 85920</u> (State) (Zip)
<u>928-339-4065</u> Telephone No. (Include Area Code)	<u>928-339-4065</u> Fax No. (Include Area Code)	<u>928 521 5233</u> Cell No. (Include Area Code)
Email Address <u>aws@frontier.net.net</u>		
On Site Manager: <u>same</u>		
<u></u> (Name)	<u></u> (Title)	
<u></u> (Street)	<u></u> (City)	<u></u> (State) (Zip)
<u></u> Telephone No. (Include Area Code)	<u></u> Fax No. (Include Area Code)	<u></u> Cell No. (Include Area Code)
Email Address <u></u>		

☒ Please mark this box if the above address(es) have changed or are updated since the last filing.

<b>Statutory Agent:</b> <u>M. Wayne Lewis</u>			
(Name)			
<u>950 W Flint St</u>	<u>Chandler</u>	<u>AZ</u>	<u>85224</u>
(Street)	(City)	(State)	(Zip)
<u>480-963-7661</u>	<u>480-821-8948</u>		
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Cell No. (Include Area Code)	
<b>Attorney:</b> <u>SAME</u>			
(Name)			
(Street)	(City)	(State)	(Zip)
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Cell No. (Include Area Code)	
<b>Email Address</b>			

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

### OWNERSHIP INFORMATION

Check the following box that applies to your company:

- |  |   |
|--|---|
| <input type="checkbox"/> Sole Proprietor (S)                                       | <input type="checkbox"/> C Corporation (C) (Other than Association/Co-op) |
| <input type="checkbox"/> Partnership (P)   | <input type="checkbox"/> Subchapter S Corporation (Z)                     |
| <input type="checkbox"/> Bankruptcy (B)  | <input type="checkbox"/> Association/Co-op (A)                            |
| <input type="checkbox"/> Receivership (R)  | <input type="checkbox"/> Limited Liability Company                        |
| <input checked="" type="checkbox"/> Other (Describe) <u>non-profit corporation</u> |   |

### COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

- |  |                                   |                                   |
|--|-----------------------------------|-----------------------------------|
| <input checked="" type="checkbox"/> APACHE | <input type="checkbox"/> COCHISE  | <input type="checkbox"/> COCONINO |
| <input type="checkbox"/> GILA              | <input type="checkbox"/> GRAHAM   | <input type="checkbox"/> GREENLEE |
| <input type="checkbox"/> LA PAZ            | <input type="checkbox"/> MARICOPA | <input type="checkbox"/> MOHAVE   |
| <input type="checkbox"/> NAVAJO            | <input type="checkbox"/> PIMA     | <input type="checkbox"/> PINAL    |
| <input type="checkbox"/> SANTA CRUZ        | <input type="checkbox"/> YAVAPAI  | <input type="checkbox"/> YUMA     |
| <input type="checkbox"/> STATEWIDE         |                                   |                                   |

COMPANY NAME

*Alpine Water Systems Inc***UTILITY PLANT IN SERVICE**

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization			
302	Franchises			
303	Land and Land Rights	800		800
304	Structures and Improvements	4601	4601	0
307	Wells and Springs	9927	9927	0
311	Pumping Equipment	6474	6474	0
320	Water Treatment Equipment	704	704	0
330	Distribution Reservoirs and Standpipes	22314	22314	0
331	Transmission and Distribution Mains	1119388	348736	770652
333	Services	17236	17236	0
334	Meters and Meter Installations	23355	23355	0
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment	10967	6478	4489
340	Office Furniture and Equipment	6821	4815	2006
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant	50734	12102	38632
	<b>TOTALS</b>	<b>1,273,321</b>	<b>456,742</b>	<b>816579</b>

This amount goes on the Balance Sheet Acct. No. 108

COMPANY NAME

*Alpine Water Systems Inc***CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR**

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization			
302	Franchises			
303	Land and Land Rights	800		0
304	Structures and Improvements	4601	3.4	0
307	Wells and Springs	9927	3.4	0
311	Pumping Equipment	6474	3.4	0
320	Water Treatment Equipment	704	3.4	0
330	Distribution Reservoirs and Standpipes	22314	3.4	0
331	Transmission and Distribution Mains	1119388	3.4	31565
333	Services	17236	3.4	0
334	Meters and Meter Installations	23355	3.4	0
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment	10967	3.4	349
340	Office Furniture and Equipment	6821	3.4	232
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant	50134	3.4	1720
	<b>TOTALS</b>	<b>1273321</b>		<b>33811</b>

This amount goes on the Comparative Statement of Income and Expense  
Acct. No. 403.

<b>COMPANY NAME</b> Alpine Water System Inc
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**BALANCE SHEET**

Acct No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	<b>ASSETS</b>		
	<b>CURRENT AND ACCRUED ASSETS</b>		
131	Cash	\$ 47637	\$ 42613
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable	11542	15021
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets	30701	30701
	<b>TOTAL CURRENT AND ACCRUED ASSETS</b>	\$ 89900	\$ 88335
	<b>FIXED ASSETS</b>		
101	Utility Plant in Service	\$ 1270139	\$ 1273321
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation - Utility Plant	420140	466742
121	Non-Utility Property		
122	Accumulated Depreciation - Non Utility		
	<b>TOTAL FIXED ASSETS</b>	\$ 850699	\$ 816579
	<b>TOTAL ASSETS</b>	\$ 940499	\$ 904914

**NOTE:** The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

COMPANY NAME Alpine Water System Inc.

**BALANCE SHEET (CONTINUED)**

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	<b>LIABILITIES</b>		
	<b>CURRENT LIABILITIES</b>		
231	Accounts Payable	\$ 3198	\$ 3302
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits	4796	5296
236	Accrued Taxes		
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities		
	<b>TOTAL CURRENT LIABILITIES</b>	\$ 7994	\$ 8648
	<b>LONG-TERM DEBT (Over 12 Months)</b>		
224	Long-Term Notes and Bonds	\$ 731803	\$ 706716
	<b>DEFERRED CREDITS</b>		
251	Unamortized Premium on Debt	\$	\$
252	Advances in Aid of Construction		
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction		
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	<b>TOTAL DEFERRED CREDITS</b>	\$	\$
	<b>TOTAL LIABILITIES</b>	\$ 739847	\$ 716364
	<b>CAPITAL ACCOUNTS</b>		
201	Common Stock Issued	\$	\$
211	Paid in Capital in Excess of Par Value	125263	125263
215	Retained Earnings	76387	64287
218	Proprietary Capital (Sole Props and Partnerships)		
	<b>TOTAL CAPITAL</b>	\$ 200652	\$ 189550
	<b>TOTAL LIABILITIES AND CAPITAL</b>	\$ 940499	\$ 905914

COMPANY NAME Alpine Water System Inc.

**COMPARATIVE STATEMENT OF INCOME AND EXPENSE**

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 122804	\$ 121136
460	Unmetered Water Revenue	10676	9491
474	Other Water Revenues	620	8838
	<b>TOTAL REVENUES</b>	<b>\$ 134100</b>	<b>\$ 139482</b>
	<b>OPERATING EXPENSES</b>		
601	Salaries and Wages	\$ 36014	\$ 42654
610	Purchased Water		
615	Purchased Power	3996	3815
618	Chemicals		
620	Repairs and Maintenance	5668	2088
621	Office Supplies and Expense	2485	1157
630	Outside Services	7655	18144
635	Water Testing	1298	1386
641	Rents	1800	1800
650	Transportation Expenses	3064	3197
657	Insurance -- General Liability	5615	6013
659	Insurance - Health and Life		
666	Regulatory Commission Expense -- Rate Case		
675	Miscellaneous Expense	20347	21577
403	Depreciation Expense	34306	33871
408	Taxes Other Than Income	3919	3807
408.11	Property Taxes	4636	2650
409	Income Tax		
	<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 130803</b>	<b>\$ 147806</b>
	<b>OPERATING INCOME/(LOSS)</b>	<b>\$ 3297</b>	<b>\$ (8371)</b>
	<b>OTHER INCOME/(EXPENSE)</b>		
419	Interest and Dividend Income	\$	\$
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense		
	<b>TOTAL OTHER INCOME/(EXPENSE)</b>	<b>\$</b>	<b>\$</b>
	<b>NET INCOME/(LOSS)</b>	<b>\$ 3297</b>	<b>\$ (8371)</b>



**COMPANY NAME** Alpine Water System Inc

**SUPPLEMENTAL FINANCIAL DATA**  
**Long-Term Debt**

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued	1999			
Source of Loan	WIFA			
ACC Decision No.	61275			
Reason for Loan	New Const			
Dollar Amount Issued	\$ 800,627	\$	\$	\$
Amount Outstanding	\$ 700,116	\$	\$	\$
Date of Maturity	12/10/2019			
Interest Rate	3.938 %	%	%	%
Current Year Interest	\$	\$	\$	\$
Current Year Principle	\$	\$	\$	\$

Meter Deposit Balance at Test Year End

\$ 5296

Meter Deposits Refunded During the Test Year

\$

COMPANY NAME <i>A</i>
Name of System: <i>Alpine Water Systems Inc</i> ADEQ Public Water System Number: <i>01-001</i>

### WATER COMPANY PLANT DESCRIPTION

#### WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
55-602-758	1 1/2	24	148	12"	2"	1977
55-602-759	3/4	25	107	6"	2"	1987
55-602-760	1 1/2	18	180	6"	1 1/2"	1967

\* Arizona Department of Water Resources Identification Number

#### OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
<i>working springs</i>	<i>30-70</i>	

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
		<i>8</i>	

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
<i>250,000</i>	<i>1</i>		

**Note: If you are filing for more than one system, please provide separate sheets for each system.**

**COMPANY NAME**

Name of System: Alpine Water Systems Inc. ADEQ Public Water System Number: 01-001

**WATER COMPANY PLANT DESCRIPTION (CONTINUED)****MAINS**

Size (in inches)	Material	Length (in feet)
2	Galu	7,500
3		
4	PVC	4,470
5		
6	PVC	8,110
8	PVC	2,732
10	PVC	2,855
12		

**CUSTOMER METERS**

Size (in inches)	Quantity
5/8 X 3/4	195
3/4	2
1	9
1 1/2	2
2	5
Comp. 3	
Turbo 3	
Comp. 4	
Turbo 4	
Comp. 6	
Turbo 6	

For the following three items, list the utility owned assets in each category for each system.

**TREATMENT EQUIPMENT:**

N/A

**STRUCTURES:**

12x40 mobile storage

**OTHER:**

**Note: If you are filing for more than one system, please provide separate sheets for each system.**

COMPANY NAME:

Name of System: Alpine Water Systems Inc. CADEQ Public Water System Number: 01-001**WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2007**

MONTH/YEAR	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
JANUARY	<u>208</u>	<u>636</u>	<u>1,208</u>	
FEBRUARY		<u>558</u>	<u>1,057</u>	
MARCH		<u>739</u>	<u>1,135</u>	
APRIL		<u>564</u>	<u>917</u>	
MAY		<u>930</u>	<u>1,960</u>	
JUNE		<u>1,256</u>	<u>1,815</u>	
JULY		<u>1,478</u>	<u>2,050</u>	
AUGUST		<u>2,777</u>	<u>1,557</u>	
SEPTEMBER		<u>2767</u>	<u>967</u>	
OCTOBER		<u>761</u>	<u>1,555</u>	
NOVEMBER		<u>747</u>	<u>1,128</u>	
DECEMBER	<u>210</u>	<u>1044</u>	<u>1,437</u>	
TOTALS →		<u>12,241</u>	<u>16,729</u>	

What is the level of arsenic for each well on your system? 0 mg/l  
(If more than one well, please list each separately.)

If system has fire hydrants, what is the fire flow requirement? 250 GPM for 2 hrs

If system has chlorination treatment, does this treatment system chlorinate continuously?

( ) Yes (X) No

Is the Water Utility located in an ADWR Active Management Area (AMA)?

( ) Yes (X) No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?

( ) Yes (X) No

If yes, provide the GPCPD amount: \_\_\_\_\_

***Note: If you are filing for more than one system, please provide separate data sheets for each system.***

COMPANY NAME Alpine Water Systems Inc YEAR ENDING 12/31/2007

**PROPERTY TAXES**

Amount of actual property taxes paid during Calendar Year 2007 was: \$ 2655

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**VERIFICATION  
AND  
SWORN STATEMENT**  
Taxes

**VERIFICATION**

STATE OF \_\_\_\_\_  
I, THE UNDERSIGNED  
OF THE

COUNTY OF (COUNTY NAME)
NAME (OWNER OR OFFICIAL) TITLE
COMPANY NAME

DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2007

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

**SWORN STATEMENT**

I HEREBY ATTEST THAT ALL PROPERTY TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

I HEREBY ATTEST THAT ALL SALES TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 2 DAY OF

(SEAL)

MY COMMISSION EXPIRES Nov 13, 2009

Frank A. Barnes, Jr.  
SIGNATURE OF OWNER OR OFFICIAL  
928-339-4065  
TELEPHONE NUMBER

COUNTY NAME <u>Apache</u>	
MONTH <u>July</u>	.2008

Shanna Rose Penrod  
SIGNATURE OF NOTARY PUBLIC

COMPANY NAME Alpine Water System Inc

YEAR ENDING 12/31/2007

**INCOME TAXES**

For this reporting period, provide the following:

Federal Taxable Income Reported

Estimated or Actual Federal Tax Liability

tax exempt

State Taxable Income Reported

Estimated or Actual State Tax Liability

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances

Amount of Gross-Up Tax Collected

Total Grossed-Up Contributions/Advances

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

**CERTIFICATION**

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

Frank A Barnes, Jr  
SIGNATUREJuly 2, 08  
DATEFrank A Barnes, Jr  
PRINTED NAMEPresident  
TITLE

**VERIFICATION  
AND  
SWORN STATEMENT**  
Intrastate Revenues Only

**VERIFICATION**

STATE OF \_\_\_\_\_

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)
NAME (OWNER OR OFFICIAL) TITLE
COMPANY NAME <i>Alpine Water System Inc.</i>

**DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION**

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2007

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

**SWORN STATEMENT**

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2007 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$ 12,113,400

(THE AMOUNT IN BOX ABOVE  
INCLUDES \$  
IN SALES TAXES BILLED, OR COLLECTED)

**\*\*REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

2

DAY OF

(SEAL)

MY COMMISSION EXPIRES Nov 13, 2009

*Frank A. Barnes, Jr.*  
\_\_\_\_\_  
SIGNATURE OF OWNER OR OFFICIAL  
928-339-4065  
\_\_\_\_\_  
TELEPHONE NUMBER

COUNTY NAME <i>Apache</i>
MONTH <i>July</i> YEAR <i>2008</i>

*Shanna Rae Penson*  
\_\_\_\_\_  
SIGNATURE OF NOTARY PUBLIC



**VERIFICATION  
AND  
SWORN STATEMENT  
RESIDENTIAL REVENUE**  
Intrastate Revenues Only

**VERIFICATION**

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)	
NAME (OWNER OR OFFICIAL)	TITLE
COMPANY NAME <i>Alpine Water System Inc.</i>	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH 12	DAY 31	YEAR 2007
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HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

**SWORN STATEMENT**

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2007 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES

\$ 121136

THE AMOUNT IN BOX AT LEFT  
INCLUDES \$  
IN SALES TAXES BILLED, OR COLLECTED)

\*RESIDENTIAL REVENUE REPORTED ON THIS PAGE  
MUST INCLUDE SALES TAXES BILLED.

*Frank A. Barnes, Jr.*  
SIGNATURE OF OWNER OR OFFICIAL  
928-339-4065  
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

2

DAY OF

NOTARY PUBLIC NAME <i>Shanna Rae Pernod</i>	
COUNTY NAME <i>Cochise</i>	
MONTH <i>July</i>	2008

(SEAL)

MY COMMISSION EXPIRES

Nov 13, 2009

X

*Shanna Rae Pernod*  
SIGNATURE OF NOTARY PUBLIC